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INCOMING TELEGRAM

Department of State

UNCLASSIFIED 35-M Control: 16854 Classification Action Rec'd: JANUARY 29, 1959 **EUR** 9:55 AM FROM: LUXEMBOURG Info TO: RMR Secretary of State NO: SS COLUX 150. JANUARY 29 W G SP NIACT С L SENT DEPARTMENT COLUX 150, REPEATED INFORMATION BONN COLUX 40, INR BRUSSELS COLUX 30, THE HAGUE COLUX 26, LONDON 29, PARIS COLUX 60, ROME COLUX 28, GENEVA 28. IRC BRUSSELS ALSO FOR USEC DCL

PARIS ALSO USRO

ICA CIA

SPIERENBURG AND WEHRER TODAY INFORMED MISSION THAT HIGH AUTHORITY HAD DECIDED TO ESTABLISH DUTY FREE IMPORTS INTO GERMANY FOR 1959 AT TOTAL FIVE MILLION TONS INSTEAD 4.25 ANNOUNCED BY GERMAN GOVERNMENT. PUBLIC ANNOUNCEMENT TO BE MADE THIS MORNING BUT OFFICIAL TEXT HA DECISION WHICH STILL BEING EDITED WILL PROBABLY NOT BE AVAILABLE UNTIL LATE THIS EVENING OR TOMORROW MORNING. FOLLOWING ARE POINTS STRESSED BY SPIERENBURG WHICH CAN BE COMMUNICATED IN UNCLASSIFIED MESSAGE.

- 1. FIGURE ESTABLISHED BY HA IS BASED ON EXTENSIVE ANALYSIS OF COMMUNITY COAL BALANCE AND IS NOT ARBITRARILY PULLED OUT OF HAT. BASIC UNDERLYING DETERMINATION WAS THAT EXISTING UNEMPLOYMENT (FREE SHIFTS) IN GERMAN MINES SHOULD NOT BE INCREASED IN 1959 AS RESULT OF IMPORTS.
- 2. HA WILL INSIST THAT THERE BE NO DISCRIMINATION IN TREATMENT OF VARIOUS THIRD COUNTRY EXPORTERS TO GERMANY (WHICH OBVIOUSLY AIMED AT FORESTALLING ANY CHARGE OF PREFERENTIAL TREATMENT FOR SOVIET BLOC). US PORTION FIVE

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-2- COLUX 150, JANUARY 29, FROM LUXEMBOURG

MILLION TON QUOTA WILL BE SUBJECT TO LATER DETERMINATION.

- 3. MEASURES. WILL BE SPECIFICALLY DESCRIBED AS "TEMPORARY".
- 4. HA DECISION WILL INCORPORATE PRINCIPLE THAT FIGURE FOR DUTY FREE IMPORTS SHOULD BE FLEXIBLE AND CAPABLE OF SUBSEQUENT CHANGE WITH CIRCUMSTANCES AND THAT THEREFORE WAY LEFT OPEN FOR INCREASED IMPORTS IF COAL SITUATION IMPROVES.
- 5. PREAMBLE OF HA DECISION WILL CITE COMMUNITY NEED TO S SAFEGUARD LONG TERM ENERGY SUPPLIES FROM US.

BUTTERWORTH

SGC

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